

NCB's investigations. The matter being subjudice, no remedial action is proposed to be taken at this stage.

Social upliftment by Private Banking Industry

599. **SHRIMATI VANGA GEETHA:** Will the Minister of FINANCE be pleased to state:

(a) whether Government have urged upon the private banking industry to take up the work of social upliftment in rural areas and the large segments of Indian populace in remote areas; and

(b) what is banks' response in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) and (b) According to the guidelines issued by Reserve bank of India (RBI) private banks are also required to observe priority sector lending target of 40 per cent of net bank credit, of which 18 per cent is to be for agriculture and 10 per cent for the weaker sections. These guidelines also stipulate that the new banks in the private sector will also be required to open 25 per cent of their branches in rural and semi-urban areas. As reported by RBI, private-sector banks are by the large able to achieve their priority lending targets, though there are some shortfalls in lending to agriculture and weaker sections.

Assistance to AP

600. **SHRI K.M. KHAN:** Will the Minister of FINANCE be pleased to state:

(a) whether Government have been requested to provide financial assistance to Andhra Pradesh to enable it to tide over the current financial problems;

(b) if so, the details thereof;

(c) whether Government also propose to take some steps to ensure that such financial assistance is invested genuinely in development Programmes by the State Government; and

(d) if so, the details thereof and by when such assistance is likely to be granted.

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) Yes, Sir.

(b) to (d) Requests have been received for additional assistance/advance release of entitlements for the year. The Union Government through a combination of feasible releases has helped the State to overcome the cash imbalance from time to time.

The financial management of States is primarily the responsibility of the State Government and it is for the respective State Governments to ensure that Plan funds are properly utilized in development Programmes. The Government of India imposes a cut in the Central Assistance if there is a shortfall in achievement of approved plan outlay.

Downsizing of Manpower in Government Departments

601. SHRI P. PRABHAKAR REDDY: Will the Minister of FINANCE be pleased to state:

(a) whether Government's attention has been drawn to the news item captioned "Downsizing pleas fall on deaf ears" which appeared in the Business Standard dated the 26th January, 2001;

(b) if so, what is Government's reaction thereto;

(c) the major bottlenecks impeding the Government plan to reduce manpower in the Ministries and Departments of Government and achieve the targeted 10 per cent reduction in staff by 2004; and

(d) the steps proposed to remove these bottlenecks and downsize the establishment at an appropriate level?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) to (d) Downsizing is a continuous process in the Government's endeavour to reduce non-plan expenditure. In achieving this, the functional exigencies as well as the need for suitable restructuring of various activities are kept in view. The Expenditure Reforms Commission has also been set up to, *inter-alia*, recommend a roadmap for reducing the functions, activities and administrative structure of the Central Government and also to recommend measures for rationalising the staff and cadres of